



Ila Duncan
Resource Generation CT

SB 21 AN ACT CONCERNING A STATE-WIDE PROPERTY TAX
ON CERTAIN RESIDENTIAL REAL PROPERTY
SB 28 AN ACT ESTABLISHING A CAPITAL GAINS SURCHARGE
SB 29 AN ACT CONCERNING THE EARNED INCOME TAX CREDIT

Good morning Senator Fonfara, Representative Scanlon, and the distinguished members of the Finance, Revenue and Bonding Committee. My name is Ila Duncan, I live in Wilton, I am a member leader of the Connecticut chapter of Resource Generation, organizing young people with wealth and class privilege to equitably redistribute land, wealth and power. We stand with our fellow members of Recovery For All, a statewide coalition of faith, community, and labor organizations united to eliminate systemic inequities and rebuild a better Connecticut. Thank you for the opportunity to testify in support of SB 21, SB 28 and SB 29.

The state tax incidence analysis released this week shows that the bottom two thirds of Connecticut taxpayers contribute 19-26% of their income to state taxes, whereas those in the top 1% contribute a mere 6.6%.

My family is in the top 1% with that 6.6% effective tax rate. I personally have had the privilege to remain unemployed through this pandemic, working from home on a range of volunteer community organizing and philanthropic projects. I live with my parents and don't pay rent, I have no student debt, and I have a trust fund that grew roughly \$33k in value in 2020. I didn't pay any state tax in 2020.

This is a simplification of my personal finances, but I think it makes a very clear point. Essential workers put their lives on the line, worked long hours in an unprecedentedly stressful time at great cost to their physical and mental health, and those who made \$33k paid over 20% state tax on their earnings. I stayed safe at home, "made" \$33k, and paid \$0 state tax. This is blatantly unfair.

The regressive tax structure in our state perpetuates a vicious cycle where having wealth grows more wealth while poverty pulls people deeper into poverty. SBs 21, 28 and 29 are one step towards breaking that cycle. I know some fear raising taxes will lead to "millionaire tax flight," I'm here to say that risk is overblown. My fellow Resource Generation members and I

will gladly pay higher taxes to build a strong public sector in our state and we are actively organizing to reach our fellow rich folks who still have concerns. Instead of holding 99% of the state hostage to pander to the 1%, let's help the 1% understand why robust public services are in all of our best interest.

We have an unprecedented opportunity to stop the hurt so many families are feeling by funding essential services, reducing economic and racial inequality, and setting our state on a path to robust economic recovery by restoring fairness to our tax code. I urge the Committee to have the courage to make the right choice and pass SB 21, SB 28 and SB 29. Thank you for the opportunity to testify.